

<i>SERFF Tracking Number:</i>	<i>MEAD-125789970</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Star Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>STAR-AR-WC-0808</i>		
<i>TOI:</i>	<i>16.0 Workers Compensation</i>	<i>Sub-TOI:</i>	<i>16.0004 Standard WC</i>
<i>Product Name:</i>	<i>Star-AR-WC-0808</i>		
<i>Project Name/Number:</i>	<i>Star-AR-WC-0808/Star-AR-WC-0808</i>		

Filing at a Glance

Company: Star Insurance Company	SERFF Tr Num: MEAD-125789970	State: Arkansas
Product Name: Star-AR-WC-0808	SERFF Status: Closed	State Tr Num: EFT \$100
TOI: 16.0 Workers Compensation	Co Tr Num: STAR-AR-WC-0808	State Status: Fees verified and received
Sub-TOI: 16.0004 Standard WC		
Filing Type: Rate/Rule	Co Status:	Reviewer(s): Betty Montesi, Carol Stiffler, Brittany Yielding
	Author: Louis Sugarman	Disposition Date: 08/28/2008
	Date Submitted: 08/26/2008	Disposition Status: Approved
Effective Date Requested (New): 11/01/2008		Effective Date (New): 11/01/2008
Effective Date Requested (Renewal): 11/01/2008		Effective Date (Renewal):
State Filing Description:		

General Information

Project Name: Star-AR-WC-0808	Status of Filing in Domicile: Not Filed
Project Number: Star-AR-WC-0808	Domicile Status Comments:
Reference Organization: NCCI	Reference Number: AR-2008-02
Reference Title: Arkansas Item AR-2008-02 Voluntary Advisory Loss	Advisory Org. Circular: AR
Costs and Rating Values. NAIC CW Item B-1407.	
Filing Status Changed: 08/28/2008	
State Status Changed: 08/26/2008	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
Dear Sir or Madam:	

Star Insurance Company (Star) is authorized to write Workers Compensation insurance in your state, and Star is a member of the National Council on Compensation Insurance (NCCI). In Serff filing MEAD-125328843 (AR File Number AR-PC-07-026579), we adopted NCCI's AR-2007-10 loss costs; these loss costs were available for use in Arkansas 01/01/08 and we adopted these loss costs effective 01/01/08. We hereby file to adopt NCCI's AR-2008-02 Arkansas

SERFF Tracking Number: MEAD-125789970 State: Arkansas
Filing Company: Star Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: STAR-AR-WC-0808
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: Star-AR-WC-0808
Project Name/Number: Star-AR-WC-0808/Star-AR-WC-0808

Workers Compensation voluntary advisory loss costs; these loss costs were available for use in Arkansas 07/01/08 and we apply to implement the enclosed rate pages effective 11/01/08.

The rate pages enclosed incorporate revised loss cost multipliers. For Class 8288, our current and proposed LCM is 1.900 (no change). For Classes 0008, 2501, 7380, 7613, 8006, 8004, 8292, 8350, 8380, 8393, 8868, 9012, and 9186, our current and proposed LCM is 1.610 (no change). For Class 9180 our current LCM is 1.460 and our proposed LCM is 1.610 (+10% change). Finally, for all other classes, our current LCM is 1.460 and our proposed LCM is 1.350 (-7.5% change). Based on our distribution of premium among various classes, the effect of the change in loss costs is a rate change of -15.0%, the effect of the change in LCM's is a rate change of -5.8%, and the combined effect is a rate change of -19.9% (Exhibit 9). This is the value shown as the Overall Percent Impact on the Rate/ Rule Schedule Tab. The Indicated Rate Change shown there is calculated as the combination of the -15.0% loss cost effect and the 0.816 indicated loss cost modifier from Exhibit 8, $0.850 \times 0.816 = 0.694$ or -30.6%.

Besides adopting these loss costs, we make several edits to footnotes and miscellaneous values pages to conform to the NCCI advisory values. Please note that the enclosed rate pages also include the re-named Terrorism and Catastrophe rates, based on loss costs published in NCCI's Item B-1407 (cited in "Reference Title" above) (Circular CIF-2008-05, approval notice in Circular CIF-2008-07).

Please note that we are not changing our minimum premium formula or our premium discount schedule with this filing. Enclosed please find transmittal documents in support of this filing. We propose to implement these revised manual pages effective 11/01/08.

Sincerely,

Louis Sugarman
Senior Compliance Analyst
Star Insurance Company
248-204-8228

Company and Contact

SERFF Tracking Number:	MEAD-125789970	State:	Arkansas
Filing Company:	Star Insurance Company	State Tracking Number:	EFT \$100
Company Tracking Number:	STAR-AR-WC-0808		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	Star-AR-WC-0808		
Project Name/Number:	Star-AR-WC-0808/Star-AR-WC-0808		

Filing Contact Information

Louis Sugarman, Sr. Compliance Analyst	lsugarman@meadowbrook.om
26255 American Drive	(248) 204-8228 [Phone]
Southfield, MI 48034	(248) 358-1614[FAX]

Filing Company Information

Star Insurance Company	CoCode: 18023	State of Domicile: Michigan
26255 American Drive	Group Code: 748	Company Type: property and casualty
Southfield, MI 48034	Group Name: Meadowbrook	State ID Number:
(248) 358-1100 ext. [Phone]	FEIN Number: 38-2626205	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	Filing and review of independent rates, initial filing to adopt advisory organization's loss costs, or filing to change loss cost multiplier already on file \$100
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Star Insurance Company	\$100.00	08/26/2008	22136911

SERFF Tracking Number:	MEAD-125789970	State:	Arkansas
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Company Tracking Number:	STAR-AR-WC-0808		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	Star-AR-WC-0808		
Project Name/Number:	Star-AR-WC-0808/Star-AR-WC-0808		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Carol Stiffler	08/28/2008	08/28/2008
Approved	Carol Stiffler	08/26/2008	08/26/2008

Amendments

Item	Schedule	Created By	Created On	Date Submitted
New Manual Pages	Rate	Louis Sugarman	08/28/2008	08/28/2008

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Revised Manual Pages Attached Showing Revised Eff Date 11-02-08	Note To Reviewer	Louis Sugarman	08/28/2008	08/28/2008
I've reopened the filing for you	Note To Filer	Carol Stiffler	08/28/2008	08/28/2008
Revise: Effective 11-02-08	Note To Reviewer	Louis Sugarman	08/28/2008	08/28/2008

<i>SERFF Tracking Number:</i>	<i>MEAD-125789970</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Product Name:</i>	<i>Star-AR-WC-0808</i>		
<i>Project Name/Number:</i>	<i>Star-AR-WC-0808/Star-AR-WC-0808</i>		

Disposition

Disposition Date: 08/28/2008

Effective Date (New): 11/01/2008

Effective Date (Renewal):

Status: Approved

Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Star Insurance Company	-19.900%	\$-71,443	72	\$359,011	5.400%	-34.100%	-30.600%

SERFF Tracking Number:	MEAD-125789970	State:	Arkansas
Filing Company:	Star Insurance Company	State Tracking Number:	EFT \$100
Company Tracking Number:	STAR-AR-WC-0808		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	Star-AR-WC-0808		
Project Name/Number:	Star-AR-WC-0808/Star-AR-WC-0808		

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	NAIC Loss Cost Filing Document for Workers' Compensation	Approved	Yes
Supporting Document	NAIC loss cost data entry document	Approved	Yes
Rate	Old Manual Pages	Withdrawn	No
Rate (revised)	New Manual Pages	Approved	Yes
Rate	New Manual Pages	Withdrawn	No

<i>SERFF Tracking Number:</i>	<i>MEAD-125789970</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Star Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>STAR-AR-WC-0808</i>		
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Disposition

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<i>SERFF Tracking Number:</i>	<i>MEAD-125789970</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Project Name/Number:</i>	<i>Star-AR-WC-0808/Star-AR-WC-0808</i>		

Note To Reviewer

Created By:

Louis Sugarman on 08/28/2008 02:17 PM

Subject:

Revised Manual Pages Attached Showing Revised Eff Date 11-02-08

Comments:

Thank you.

<i>SERFF Tracking Number:</i>	<i>MEAD-125789970</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Star Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
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<i>Product Name:</i>	<i>Star-AR-WC-0808</i>		
<i>Project Name/Number:</i>	<i>Star-AR-WC-0808/Star-AR-WC-0808</i>		

Amendment Letter

Amendment Date:

Submitted Date: 08/28/2008

Comments:

Dear Ms. Stiffler:

We had several quotes outstanding for policies to be effective 11/01/08 using the old rates.

We apply to change the effective date of the new rates to 11/02/08.

Attached manual pages cite this revised effective date.

Sincerely,

Louis Sugarman

248-204-8228

Changed Items:

Rate/Rule Schedule Item Changes:

Exhibit Name:	Rule # or Page #:	Rate Action:	Previous State Filing Numbers:	Attach Document:
New Manual Pages	Star-AR-WC-Rates 0808	Replacement		AR-WC-Rates 0808 Eff 11-02-08.pdf

<i>SERFF Tracking Number:</i>	<i>MEAD-125789970</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Star Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
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<i>Product Name:</i>	<i>Star-AR-WC-0808</i>		
<i>Project Name/Number:</i>	<i>Star-AR-WC-0808/Star-AR-WC-0808</i>		

Note To Filer

Created By:

Carol Stiffler on 08/28/2008 11:22 AM

Subject:

I've reopened the filing for you

Comments:

Please send me a note to reviewer when you have added the new pages.

<i>SERFF Tracking Number:</i>	<i>MEAD-125789970</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Star Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>STAR-AR-WC-0808</i>		
<i>TOI:</i>	<i>16.0 Workers Compensation</i>	<i>Sub-TOI:</i>	<i>16.0004 Standard WC</i>
<i>Product Name:</i>	<i>Star-AR-WC-0808</i>		
<i>Project Name/Number:</i>	<i>Star-AR-WC-0808/Star-AR-WC-0808</i>		

Note To Reviewer

Created By:

Louis Sugarman on 08/28/2008 07:51 AM

Subject:

Revise: Effective 11-02-08

Comments:

Dear Ms. Stiffler:

We have quoted business effective 11-01-08 under the old rates, so we revise the effective date of these new rates to be 11-02-08. I have updated the manual pages to reflect this new date, though I am not able to attach these updated pages to this closed Serff filing.

Sincerely,

Louis Sugarman
248-204-8228

SERFF Tracking Number: MEAD-125789970

Filing Company: Star Insurance Company

Company Tracking Number: STAR-AR-WC-0808

TOI: 16.0 Workers Compensation

Product Name: Star-AR-WC-0808

Project Name/Number: Star-AR-WC-0808/Star-AR-WC-0808

State: Arkansas

State Tracking Number: EFT \$100

Sub-TOI: 16.0004 Standard WC

Rate Information

Rate data applies to filing.

Filing Method: Prior Approval

Rate Change Type: Decrease

Overall Percentage of Last Rate Revision: 2.400%

Effective Date of Last Rate Revision: 01/01/2008

Filing Method of Last Filing: Prior Approval

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Star Insurance Company	-30.600%	-19.900%	\$-71,443	72	\$359,011	5.400%	-34.100%

SERFF Tracking Number:	MEAD-125789970	State:	Arkansas
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Company Tracking Number:	STAR-AR-WC-0808		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	Star-AR-WC-0808		
Project Name/Number:	Star-AR-WC-0808/Star-AR-WC-0808		

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Approved	New Manual Pages	Star-AR-WC-Rates 0808	Replacement	AR-WC-Rates 0808 Eff 11-02-08.pdf

Effective November 2, 2008

Rates

CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM
0005	5.24	750	2003	2.75	613	2702X	24.61	750	3224	2.00	500
0008	2.54	582	2014	5.18	750	2710	7.17	750	3227	1.49	423
0016	4.59	750	2016	1.62	443	2714	3.40	710	3240	2.47	571
0034	3.52	729	2021	2.71	607	2719X	9.03	750	3241	2.30	544
0035	2.11	516	2039	3.63	745	2731	3.02	654	3255	1.90	486
0036	3.35	702	2041	3.48	722	2735	2.12	518	3257	2.78	617
0037	3.78	750	2065	1.31	396	2759	6.90	750	3270	2.63	595
0042	5.21	750	2070	4.46	750	2790	1.27	390	3300	3.65	747
0050	4.24	750	2081	3.15	672	2802	4.29	750	3303	3.12	668
0059D	0.24	236	2089	2.07	510	2812	3.01	652	3307	2.74	611
0065D	0.04	206	2095	2.23	534	2835	1.31	396	3315	2.15	522
0066D	0.04	206	2105	1.98	498	2836	1.84	475	3334	1.74	461
0067D	0.04	206	2110	1.74	461	2841	3.04	656	3336	1.80	469
0079	3.46	718	2111	2.05	508	2881	2.05	508	3365	8.34	750
0083	7.97	750	2112	2.21	532	2883	3.33	700	3372	2.32	548
0106	9.32	750	2114	2.19	528	2913	3.33	700	3373	2.36	554
0113	4.67	750	2121	1.82	473	2915	3.47	720	3383	0.88	332
0170	2.01	502	2130	2.28	542	2916	1.90	486	3385	0.72	307
0251	4.12	750	2131	1.54	431	2923	1.96	494	3400	2.21	532
0400	6.59	750	2143	1.78	467	2942	1.92	488	3507	2.52	579
0401	8.99	750	2157	3.31	696	2960	2.63	595	3515	1.78	467
0771N	0.24	236	2172	1.28	392	3004	2.24	536	3548	1.11	366
0908P	116.10	750	2174	2.39	558	3018	2.09	514	3559	2.12	518
0913P	286.20	750	2211	4.47	750	3022	2.59	589	3574	0.92	338
0917	3.20	680	2220	1.59	439	3027	2.19	528	3581	1.17	376
1005Z	9.00	750	2286	1.16	374	3028	1.89	484	3612	1.80	469
1016XZ	33.60	750	2288	3.29	694	3030	3.28	692	3620	4.74	750
1164E	5.82	750	2300		461	3040	3.04	656	3629	1.59	439
1165E	3.83	750	2302	1.39	409	3041	2.71	607	3632	3.27	690
1320	2.39	558	2305	1.74	461	3042	2.59	589	3634	1.39	409
1322	12.83	750	2361	0.99	348	3064	3.75	750	3635	1.69	453
1430	3.54	731	2362	1.43	415	3069	6.44	750	3638	1.20	380
1438	1.98	498	2380	3.69	750	3076	2.42	562	3642	0.69	303
1452	1.38	407	2386	0.92	338	3081D	2.35	552	3643	2.42	562
1463	9.50	750	2388	1.57	435	3082D	3.17	676	3647	2.74	611
1472	3.31	696	2402	1.76	463	3085D	2.65	597	3648	1.76	463
1624E	6.20	750	2413	1.38	407	3110	2.32	548	3681	1.27	390
1642	3.33	700	2416	1.36	405	3111	2.43	565	3685	1.46	419
1654	5.12	750	2417	1.28	392	3113	1.92	488	3719	2.13	520
1655	4.04	750	2501	1.32	398	3114	2.13	520	3724	5.55	750
1699	1.63	445	2503	1.09	364	3118	0.99	348	3726	2.47	571
1701	2.52	579	2534	1.76	463	3119	0.89	334	3803	1.55	433
1710E	5.00	750	2570	4.04	750	3122	1.23	384	3807	1.71	457
1741E	1.51	427	2585	2.52	579	3126	1.40	411	3808	2.24	536
1745X	2.44	567	2586	1.08	362	3131	0.85	328	3821	3.38	706
1747	2.13	520	2587	2.36	554	3132	2.01	502	3822	2.96	643
1748	6.09	750	2589	1.17	376	3145	1.94	492	3824	3.96	750
1803D	4.37	750	2600	5.21	750	3146	2.24	536	3826	0.72	307
1852D	2.03	504	2623	2.30	544	3169	2.00	500	3827	1.28	392
1853	1.89	484	2651	2.15	522	3175D	2.32	548	3830	0.92	338
1860	1.59	439	2660	1.19	378	3179	1.96	494	3851	2.16	524
1924	3.46	718	2670	1.88	481	3180	1.46	419	3865	1.04	356
1925	2.39	558	2683	1.61	441	3188	1.24	386	3881	2.88	631
2001	1.94	492	2688	2.48	573	3220	1.54	431	4000	5.90	750
2002	2.44	567	2701	6.03	750	3223	2.44	567	4021	4.83	750

Effective November 2, 2008

Rates

CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM
4024E	1.81	471	4635	4.04	750	5506	3.24	686	7038M	5.02	750
4034	5.67	750	4653	1.05	358	5507	4.87	750	7046M	22.09	750
4036	2.05	508	4665	5.47	750	5508D	8.22	750	7047M	7.13	750
4038	1.77	465	4670	3.13	670	5535	6.44	750	7050M	8.98	750
4053	2.81	621	4683	4.00	750	5537	4.25	750	7090M	5.58	750
4061	3.46	718	4686	1.04	356	5551	12.37	750	7098M	24.54	750
4062	1.88	481	4692	0.39	259	5606	1.47	421	7099M	39.54	750
4101	1.63	445	4693	0.76	313	5610	4.82	750	7133	3.04	656
4111	2.50	575	4703	1.97	496	5645	9.84	750	7151M	3.69	750
4112	0.77	315	4717	1.46	419	5651	7.30	750	7152M	6.60	750
4113	1.08	362	4720	4.27	750	5703	79.60	750	7153M	4.10	750
4114	1.81	471	4740	1.26	388	5705	4.66	750	7222	8.51	750
4130	3.71	750	4741	1.43	415	5951	0.35	253	7228X	6.03	750
4131	1.98	498	4751	1.22	382	6003	8.72	750	7229X	6.33	750
4133	1.96	494	4771N	1.39	409	6005	6.63	750	7230	3.56	735
4150	1.36	405	4777	1.42	413	6017	3.40	710	7231	4.73	750
4206	3.00	650	4825	0.73	309	6018	1.85	477	7232	11.15	750
4207	0.82	324	4828	1.36	405	6045	2.15	522	7309F	19.90	750
4239	1.04	356	4829	0.99	348	6204	8.68	750	7313F	5.64	750
4240	2.01	502	4902	1.09	364	6206	5.51	750	7317F	8.92	750
4243	1.36	405	4923	0.90	336	6213	7.25	750	7327F	26.34	750
4244	2.42	562	5020	6.01	750	6214	2.44	567	7333M	4.78	750
4250	1.22	382	5022	4.32	750	6216	5.64	750	7335M	5.31	750
4251	1.44	417	5037	16.94	750	6217	4.41	750	7337M	8.55	750
4263	1.80	469	5040	22.72	750	6229	4.37	750	7350F	17.17	750
4273	1.57	435	5057	16.25	750	6233	4.77	750	7360	6.16	750
4279	1.47	421	5059	19.31	750	6235	12.68	750	7370	4.35	750
4282	1.73	459	5069	24.38	750	6236	10.44	750	7380X	3.57	736
4283	1.61	441	5102	3.58	737	6237	2.67	601	7382	2.47	571
4299	1.43	415	5146	4.37	750	6251D	6.95	750	7390	3.20	680
4304	2.25	538	5160	3.09	664	6252D	5.20	750	7394M	9.69	750
4307	1.80	469	5183	3.06	660	6260D	4.59	750	7395M	10.77	750
4351	0.93	340	5188	3.92	750	6306	4.94	750	7398M	17.36	750
4352	0.82	324	5190	2.81	621	6319	4.82	750	7403	2.57	585
4360	0.74	311	5191X	1.62	443	6325	4.02	750	7405N	1.01	352
4361	1.08	362	5192	3.50	724	6400	6.03	750	7420XZ	22.22	750
4362	0.95	342	5213	6.17	750	6504	2.08	512	7421	2.35	552
4410	2.62	593	5215	3.69	750	6702MZ	6.70	750	7422	1.98	498
4420	3.16	674	5221	4.54	750	6703MZ	11.97	750	7425	3.67	750
4431	1.22	382	5222	10.48	750	6704MZ	7.44	750	7431N	1.50	425
4432	1.31	396	5223	4.62	750	6801F	10.21	750	7445N	0.54	281
4439	1.38	407	5348	3.58	737	6811	4.48	750	7453N	0.81	322
4452	2.66	599	5402	3.97	750	6824F	29.39	750	7502	2.20	530
4459	1.53	429	5403	8.21	750	6826F	11.27	750	7515	0.95	342
4470	1.94	492	5437	3.89	750	6834	3.17	676	7520	2.00	500
4484	1.70	455	5443	3.52	729	6836	5.17	750	7538	8.95	750
4493	2.07	510	5445	4.41	750	6843F	13.12	750	7539	3.83	750
4511	0.61	291	5462	4.66	750	6845F	19.91	750	7540	2.51	577
4557	1.39	409	5472	4.24	750	6854	4.48	750	7580	1.66	449
4558	1.35	403	5473	5.81	750	6872F	17.10	750	7590	4.59	750
4561	1.62	443	5474	6.37	750	6874F	34.99	750	7600	2.31	546
4568	2.12	518	5478	3.87	750	6882	4.48	750	7601	10.41	750
4581	1.42	413	5479	6.86	750	6884	10.13	750	7605	2.90	635
4583	4.33	750	5480	6.94	750	7016M	3.98	750	7610	0.47	271
4611	0.78	317	5491	1.80	469	7024M	4.43	750	7611	4.66	750

Effective November 2, 2008

Rates

CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM
7612	10.38	750	8385	2.13	520	9083	1.43	415			
7613	4.94	750	8392	2.66	599	9084	1.66	449			
7705	2.28	542	8393	1.80	470	9089	1.01	352			
7710	5.12	750	8500	5.62	750	9093	1.24	386			
7711	5.12	750	8601	0.73	309	9101	2.67	601			
7720X	2.28	542	8606	2.47	571	9102	2.58	587			
7855	5.51	750	8709F	7.07	750	9154	1.71	457			
8001	1.97	496	8719	1.66	449	9156	1.16	374			
8002	2.88	631	8720	1.20	380	9170	2.46	569			
8006	2.04	507	8721	0.35	253	9178	23.19	750			
8008	1.08	362	8726F	8.11	750	9179	31.82	750			
8010	1.67	451	8734M	0.57	285	9180	3.91	750			
8013	0.43	265	8737M	0.51	277	9182	2.39	558			
8015	0.57	285	8738M	0.90	336	9186	56.21	750			
8017	1.04	356	8742X	0.42	263	9220	3.01	652			
8018XZ	2.23	534	8745	4.05	750	9402	3.81	750			
8021	1.65	447	8748	0.36	255	9403	5.06	750			
8031	3.43	714	8755	0.23	234	9410	1.55	433			
8032	1.40	411	8799	0.85	328	9501	3.89	750			
8033	1.67	451	8800	0.85	328	9505	3.38	706			
8039	1.22	382	8803	0.07	210	9516	2.88	631			
8044	2.91	637	8805M	0.30	245	9519	1.62	443			
8045	0.36	255	8810	0.22	232	9521	4.68	750			
8046	2.36	554	8814M	0.26	238	9522	1.39	409			
8047	0.95	342	8815M	0.47	271	9534	6.18	750			
8058	2.43	565	8820	0.19	228	9554	6.56	750			
8072	0.72	307	8824	2.19	528	9586	0.58	287			
8102	2.24	536	8825	1.86	479	9600	1.44	417			
8103	3.31	696	8826	1.97	496	9620	1.17	376			
8105	4.28	750	8829	2.38	556						
8106	3.39	708	8831	2.32	548						
8107	2.89	633	8832	0.24	236						
8111	3.33	700	8833XZ	0.80	319						
8116	3.71	750	8835	1.74	461						
8203	4.87	750	8842	1.30	394						
8204	4.23	750	8864	1.30	394						
8209	2.65	597	8868	0.40	260						
8215	5.08	750	8869	0.65	297						
8227	2.77	615	8871	0.20	230						
8232	5.58	750	8901	0.23	234						
8233	4.54	750	9012	2.04	507						
8235	3.66	749	9014	2.46	569						
8263	8.26	750	9015X	2.13	520						
8264	2.98	648	9016	5.51	750						
8265	8.22	750	9019	2.62	593						
8279	7.90	750	9033	1.74	461						
8288	7.49	750	9040Z	3.12	668						
8291	1.85	477	9052	1.38	407						
8292	3.14	671	9058	1.58	437						
8293	6.06	750	9059	2.44	567						
8295X	6.63	750	9060	1.61	441						
8304	6.10	750	9061	1.23	384						
8350	5.99	750	9063	0.88	332						
8380	3.75	750	9077F	3.75	750						
8381	1.32	398	9082	1.42	413						

Effective November 2, 2008

FOOTNOTES

D Rate for classification already includes the specific disease loading shown in the table below.
See Basic Rule 3-A-7.

E Advisory loss cost for classification already includes the specific disease loading shown in the table below.

Disease			Disease			Disease		
Code No.	Loading	Symbol	Code No.	Loading	Symbol	Code No.	Loading	Symbol
0059D	0.18	S	1710E	0.03	S	3175D	0.02	S
0065D	0.03	S	1741E	0.15	S	4024E	0.01	S
0066D	0.03	S	1803D	0.15	S	5508D	0.02	S
0067D	0.03	S	1852D	0.03	Asb	6251D	0.04	S
1164E	0.05	S	3081D	0.03	S	6252D	0.02	S
1165E	0.02	S	3082D	0.03	S	6260D	0.02	S
1624E	0.03	S	3085D	0.03	S			

F Rate provides for coverage under the United States Longshore and Harbor Workers Compensation Act and its extensions. Rate contains a provision for federal assessment.

M Rate provides for coverage under Admiralty Law and Federal Employer's Liability Act. (FELA). A provision for federal assessment is included for those classifications under Program II USL Act.

N This code is part of a ratable/non-ratable group shown below. The statistical non-ratable code and corresponding rate are applied in addition to the basic classification when determining premium.

Class Code	Non-Ratable Element Code
4771	0771
7405	7445
7431	7453

P Classification is computed on a per capita basis.

X Refer to special classification phraseology in these pages which is applicable in this state.

Class Codes with Specific Footnotes

- 1005 Rate includes a non-ratable disease element of \$4.40. (For coverage written separately for federal benefits only, \$2.90. For coverage written separately for state benefits only, \$1.50).
- 1016 Rate includes a non-ratable disease element of \$17.58. (For coverage written separately for federal benefits only, \$11.58. For coverage written separately for state benefits only, \$5.99. It also includes a catastrophe load of \$0.11). Refer to the Manual of Underground Coal Mine Rules, Classifications, and Rates for the rules applicable to the use of this classification code.
- 6702 Rates and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection code rate and ELR each X 1.215.
- 6703 Rates and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class rate X 2.175 and ELR 2.032.
- 6704 Rates and rating values only appropriate for laying or relaying of tracks or maintenance of way - no work on elevated railroads. Otherwise, assign appropriate construction or erection class rates and ELR each X 1.35.
- 7409 The ELR in the rate page is based on payroll subject to a maximum of \$750 per week per employee. Payroll is subject to a maximum of \$600 per week per employee effective January 1, 2005. An ELR of 7.71 should be applied to policies with effective dates on or after January 1, 2005 (\$600 payroll limitation). An ELR of 15.43 should be applied to policies with effective dates prior to January 1, 2005 (\$300 payroll limitation).
- 7420 Payroll is subject to a maximum of \$750 per week per employee effective July 1, 2008. The ELR on the rate page should be applied to policies with effective dates on or after July 1, 2008 (\$750 payroll limitation). An ELR of 7.71 should be applied to policies with effective dates prior to July 1, 2008 and on or after July 1, 2006 (\$600 payroll limitation). An ELR of 5.65 should be applied to policies with effective dates prior to July 1, 2006 (uncapped payroll).
- 8018 See Arkansas Special Classification for Warehousing-groceries exclusively.
- 8833 The ex-medical rate for this classification is \$0.41. A charge of \$0.14 is to be added to this rate whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to the Rating Organization having jurisdiction for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.
- 9040 The ex-medical rate for this classification is \$1.50. A charge of \$0.14 is to be added to this rate whenever this class is applied to a hospital or sanitarium specializing in the treatment of tuberculosis. Apply to the Rating Organization having jurisdiction for the appropriate loading when this class is applied to a General Hospital operating a tubercular ward or department.

Effective November 2, 2008

ADVISORY MISCELLANEOUS VALUES

Deductible Credit Amount: The following credit amounts are applicable based on Deductible amount and hazard group on a per claim basis: The formula at the bottom of this page was used to obtain the credit amounts.

Note: These are Final Deductible Credit Factors

Deductible Amount	Total Losses						
	Hazard Groups						
	A	B	C	D	E	F	G
\$1,000	10.1%	8.0%	6.9%	5.7%	4.8%	3.3%	2.5%
1,500	12.2%	9.8%	8.4%	7.1%	6.0%	4.2%	3.2%
2,000	14.0%	11.3%	9.7%	8.3%	7.0%	5.0%	3.8%
2,500	15.5%	12.6%	10.9%	9.3%	7.9%	5.7%	4.3%
3,000	16.8%	13.7%	11.9%	10.2%	8.7%	6.3%	4.8%
3,500	18.0%	14.7%	12.8%	11.1%	9.4%	6.9%	5.3%
4,000	19.1%	15.7%	13.7%	11.9%	10.1%	7.5%	5.7%
4,500	20.2%	16.6%	14.5%	12.6%	10.8%	8.0%	6.1%
5,000	21.2%	17.4%	15.3%	13.3%	11.4%	8.6%	6.5%

Deductible Amount	Medical Losses						
	Hazard Groups						
	A	B	C	D	E	F	G
\$1,000	9.8%	7.8%	6.6%	5.5%	4.6%	3.1%	2.3%
1,500	11.7%	9.4%	8.0%	6.8%	5.7%	3.9%	3.0%
2,000	13.2%	10.7%	9.2%	7.7%	6.5%	4.6%	3.5%
2,500	14.4%	11.7%	10.1%	8.6%	7.3%	5.1%	3.9%
3,000	15.5%	12.6%	11.0%	9.3%	7.9%	5.7%	4.3%
3,500	16.5%	13.5%	11.6%	10.0%	8.5%	6.1%	4.6%
4,000	17.3%	14.2%	12.3%	10.6%	9.0%	6.5%	5.0%
4,500	18.1%	14.9%	13.0%	11.1%	9.5%	6.9%	5.3%
5,000	18.8%	15.5%	13.5%	11.7%	10.0%	7.3%	5.6%

Deductible Amount	Indemnity Losses						
	Hazard Groups						
	A	B	C	D	E	F	G
\$1,000	2.0%	1.6%	1.5%	1.4%	1.2%	1.0%	0.8%
1,500	2.9%	2.3%	2.1%	1.9%	1.7%	1.4%	1.1%
2,000	3.6%	2.9%	2.6%	2.4%	2.1%	1.8%	1.4%
2,500	4.2%	3.4%	3.1%	2.9%	2.6%	2.2%	1.6%
3,000	4.8%	3.9%	3.5%	3.3%	2.9%	2.5%	1.9%
3,500	5.3%	4.3%	4.0%	3.7%	3.3%	2.8%	2.1%
4,000	5.8%	4.7%	4.4%	4.1%	3.6%	3.1%	2.3%
4,500	6.3%	5.1%	4.8%	4.4%	3.9%	3.3%	2.5%
5,000	6.7%	5.5%	5.1%	4.8%	4.2%	3.6%	2.7%

Small Premium Deductibles

$$D = \frac{K \cdot F \cdot E}{(1 - V)}$$

D = Deductible Credit
 F = (Safety Factor) = 0.9
 K = Loss Elimination Ratio as published by NCCI
 E = Expected Loss Ratio and ALAE = .66
 V = Variable Expenses = 0.23

Effective November 2, 2008

ADVISORY MISCELLANEOUS VALUES (Continued)

Basis of premium applicable in accordance with the footnote instructions for Code:

7370 - "Taxicab Co."

Employee operated vehicle \$48,893.00

Leased or rented vehicle \$32,595.00

7420--"Aviation - Aerial Application, Seeding, Herding, or Scintillometer Surveying - Flying Crew"

Maximum payroll per week per employee \$750.00

Expense Constant applicable in accordance with basic manual rule VI-E.2.... \$200.00

Maximum Payroll applicable in accordance with **Basic Manual** Rule 2-E-1

"Executive Officers", and the **Basic Manual** footnote instructions for:

Code 9178 - Athletic Sports or Park: Non-Contact Sports; Code 9179 - Athletic
Sports or Park: Contact Sports; and Code 9186 - Carnival: Traveling \$2,500.00

Minimum Payroll applicable in accordance with **Basic Manual** Rule 2-E-1:

Executive Officers \$300.00

Per Passenger Seat Surcharge -- In accordance with the **Basic Manual** footnote
instructions for Classification Code 7421, the surcharge is:

per passenger seat \$100.00

maximum surcharge per aircraft \$1,000.00

Premium Determination for Partners, Sole Proprietors and Members of

Limited Liability Companies in accordance with **Basic Manual** Rule 2-E \$31,900.00

Catastrophe (Other than Certified Acts of Terrorism) (Final Rate) \$0.01

Terrorism (Final Rate) \$0.01

Premium Discount Percentages - (See Rule VII-D). The following premium
discounts are applicable to Standard Premiums:

<u>Premium Amount</u>	<u>Discount</u>
0 to 5,000	0.0%
5,001 to 100,000	7.0%
100,001 to 500,000	8.5%
500,000 +	10.0%

United States Longshore and Harbor Workers' Compensation Coverage Percentage

applicable only in connection with **Basic Manual** Rule 3-A-4 86%

(Multiply a Non-"F" classification by 1.86 to adjust for the differences in benefits and
loss-based expenses. This factor is the product of the adjustment for differences in
benefits (1.67) and for differences in loss-based expenses (1.116).)

Effective November 2, 2008

EXPERIENCE RATING ELIGIBILITY

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed in the last year or last two years of the experience period produced a premium of at least \$8,000. If more than two years, an average annual premium of at least \$4,000 is required. Page A-1 of the Experience Rating Plan Manual should be referenced for the latest approved eligibility amounts by state.

SCHEDULE RATING PLAN

The Schedule Rating Plan published by the National Council on Compensation Insurance applies in Arkansas. The maximum Modification shall be 25%. Any risk shall be eligible. The range of modifications (Credit to Debit), and characteristics are as follows

Premises	Medical Facilities	Safety Devices	Employees - Selection Training, Supervision	Management - Cooperation with Insurance Carrier	Management - Safety Organization
10% - 10%	5% - 5%	5% - 5%	10% - 10%	10% - 10%	5% - 5%

SERFF Tracking Number:	MEAD-125789970	State:	Arkansas
Filing Company:	Star Insurance Company	State Tracking Number:	EFT \$100
Company Tracking Number:	STAR-AR-WC-0808		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	Star-AR-WC-0808		
Project Name/Number:	Star-AR-WC-0808/Star-AR-WC-0808		

Supporting Document Schedules

		Review Status:	
Bypassed -Name:	Uniform Transmittal Document- Property & Casualty	Approved	08/26/2008
Bypass Reason:	All Rate/Rule Schedule detail is filled out, so I think this is not required.		
Comments:			

		Review Status:	
Satisfied -Name:	NAIC Loss Cost Filing Document for Workers' Compensation	Approved	08/26/2008
Comments:			
Attachments:			
	NAIC Loss Cost Cover Form.pdf		
	NAIC Calculation LCM - All Other Classes.pdf		
	Actuarial Memo and Exhibits 1-9.pdf		

		Review Status:	
Satisfied -Name:	NAIC loss cost data entry document	Approved	08/26/2008
Comments:			
Attachment:			
	NAIC Loss Cost Data Entry Document.pdf		

Date: 08/26/08

Space Reserved for Insurance
Department Use

**WORKERS' COMPENSATION
LOSS COST FILING DOCUMENT COVER FORM**

**INSURER RATE FILING
ADOPTION OF ADVISORY ORGANIZATION
PROSPECTIVE LOSS COSTS**

1. INSURER NAME Star Insurance Company

ADDRESS 26255 American Drive
Southfield, MI 48034-2438

2. PERSON RESPONSIBLE FOR FILING Louis Sugarman

TITLE Senior Compliance Analyst TELEPHONE # 248-204-8228 □ 800-482-2726

3. INSURER NAIC # 18023

4. ADVISORY ORGANIZATION NCCI

5A. PROPOSED RATE LEVEL CHANGE -19.9 % EFFECTIVE DATE 11/01/08

5B. PROPOSED PREMIUM LEVEL CHANGE* -19.9 % EFFECTIVE DATE 11/01/08

6A. PRIOR RATE LEVEL CHANGE 2.4 % EFFECTIVE DATE 01/01/08

6B. PRIOR PREMIUM LEVEL CHANGE* 2.4 % EFFECTIVE DATE 01/01/08

7. ATTACH "NAIC LOSS COST FILING DOCUMENT—WORKERS' COMPENSATION"
(Attach this document separately for each insurer selected loss cost multiplier.)

* The premium level change is the change in the insurer's annual collectible premium.

NAIC LOSS COST FILING DOCUMENT—WORKERS' COMPENSATION

CALCULATION OF COMPANY LOSS COST MULTIPLIER

(EFFECTIVE AUG. 16, 2004)

This filing transmittal is part of Company Tracking #	Star-AR-WC-0808
This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	

(x) **Loss Cost Reference Filing** NCCI, AR-2008-02 (Available 07/01/08)

(Advisory Org, & Reference filing #) () **Independent Rate Filing**

If this is a loss cost filing adopting an advisory organization's loss costs, the above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

1. Check one of the following:

<input type="checkbox"/>	The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer. Note: Some states have statutes that prohibit this option for some lines of business. <i>NOT PERMITTED FOR ARKANSAS WORK COMP</i>
<input checked="" type="checkbox"/>	The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

2. **Does this filing apply to all class codes?** No **If no, complete a copy of this form for each affected class with appropriate justification.** [Application: All Other Class Codes]

3. **Loss cost modification:** [Deviated Classes Established in Prior Filings]

A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing (Check One):

() Without Modification (factor = 1.000)

(x) With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.) See Actuarial Exhibit 8

B. Loss Cost Modification Expressed as a Factor: (See Examples Below) 0.920

Example 1: Loss cost Modification Factor: If your company's loss cost modification is -10%, a factor of .90 (1.000 - .100) should be used.

Example 2: Loss cost Modification Factor: If your company's loss cost modification is =15%, a factor of 1.15 (1.000 + .150) should be used.

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 4-11 BELOW.

4. **Development of Expected Loss and Loss Adjustment Expense (Target Cost) Ratio.** (Attach exhibit detailing insurer expense data, impact of premium discount plans, and/or other supporting information.)
PROJECTED EXPENSES: Compared to standard premium at company rates.

		Selected Provisions
A.	Total Production Expense	11.3 %
B.	General Expense	12.1 %
C.	Taxes, Licenses & Fee	5.5 %
D.	Underwriting profit & contingencies*	3.8 %
E.	Other (explain)	%
F.	Total	32.7 %
* Explain how investment income is taken into account		

NAIC LOSS COST FILING DOCUMENT—*WORKERS' COMPENSATION*

5.	A.	Expected Loss Ratio: $ELR = 100\% - 4F =$	67.3
	B.	ELR in Decimal Form =	0.67
6.		Overall Impact of Expense Constant and Minimum Premiums: (a 2.3% impact would be expressed as 1.023)	1.044
7.		Overall Impact of Size-of-Risk Discounts plus Expense Graduation Recognition in Retrospective Rating: (An 8.6% average discount would be expressed as 0.914)	0.966
8.		Company Formula Loss Cost Multiplier [$3B / ((7-4F) \times 6)$]	1.379
9.		Company Selected Loss Cost Multiplier = (Attach explanation for any differences between 6 and 7)	1.350

- | | Yes | No |
|---|-------|-----------|
| 10. Are you amending your minimum premium formula? If yes, attach documentation, including rate level impact as well as changes in multipliers, expense constants, maximum, etc. | () | (x) |
| 11. Are you changing your premium discount schedules? If yes, attach schedules and support, detailing premium or rate level changes. | () | (x) |

**Filing Memorandum
Star Insurance Company
Arkansas Workers' Compensation
Loss Cost Multiplier Derivation**

NCC/

Star Insurance Company proposes to adopt the 7/1/2008 version of ISO Loss Costs which represents a -15.2% change from the current loss costs. (Circular reference number AR-2008-06, dated 4/28/2008). The Loss cost multiplier (LCM) will be 1.350 for all classes except those that have independent rates filed.

The summary indicated below are highlights of the Selected Expense Provisions shown in Exhibit 1:

Summary

Total Projected Expenses: 32.6%
Expected Loss Ratio: 68.3%
Indicated Loss Cost Multiplier: 1.352
Selected Loss Cost Multiplier: 1.350

Derivation of Loss Costs Multipliers

The attached Exhibits illustrate the derivation of the expense components underlying the Permissible Loss and LAE Ratio and Implied Pure Premium Multiplier. As noted in these exhibits, the support for the historical and selected expense provisions are based on several sources including Star Insurance Company Insurance Expense Exhibit data, Star Insurance Company historical data, projected budget estimates, industry aggregate data for Arkansas Workers' Compensation specific expense data.

After consideration and review of the attached filing, we have concluded that the proposed rate levels associated with this filing provide a reasonable estimate of the expected losses and expenses for the period in which this rating plan will be in effect.

Exhibit 1
Star Insurance Company
Arkansas Workers' Compensation
Loss Cost Multiplier Derivation

No.	Expense Item	Source Exhibit	Industry Historical Expenses	Star Insurance Company Historical Expenses	Projected Expenses to Net Premium	Projected Expenses to Standard Premium	Selected Expense Provisions
(1)	Loss Cost Modification	<i>Exhibit 8</i>					0.92
(2)	Loss Adjustment Expense Factor						1.00
(3)	Combined Loss Cost Modification and LAE Factor $=(1)*(2)$						0.92
(4)	Commission	Exhibits 2, 4	7.2%	10.2%	9.7%	9.8%	9.8%
(5)	Other Acquisition Expenses	Exhibit 3	4.6%	1.4%	1.4%	1.5%	1.5%
(6)	General Expenses	Exhibit 3	5.4%	12.0%	12.0%	12.1%	12.1%
(7)	Taxes, Licenses and Fees	Exhibit 2, 5	5.8%	5.3%	5.4%	5.5%	5.5%
(8)	Profit and Contingencies	Exhibit 6			3.7%	3.8%	3.8%
(9)	Other Expenses				0.0%	0.0%	0.0%
(10)	Total Projected Expenses	$=SUM[(4)..(9)]$			32.3%	32.6%	32.6%
(11)	Impact of premium discounts	Exhibit 7, Line 4					-3.4%
(12)	Impact of expense constant and min premiums	Exhibit 7, Line 5					4.4%
(13)	Expense Ratio						31.7%
(14)	Expected Loss and LAE Ratio	$1.00-(13)$					68.3%
(15)	Indicated Loss Cost Multiplier	$(3)/(14)$					1.352
(16)	Selected Loss Cost Multiplier						1.350
(17)	Current Filed Loss Cost Multiplier						1.460
(18)	Overall rate increase from change in LCM	$(16)/(17)-1.00$					-7.5%
(19)	ULAE	Exhibit 3	6.4%	5.9%	6.4%	6.4%	6.4%
(20)	ALAE	Exhibit 3	6.7%	6.9%	6.7%	6.8%	6.8%
(20)	Expected Loss and ALAE Ratio (for Exp Rating)	$(14) - (19)$					61.9%
(21)	Expected Loss Ratio (for Exp Rating)	$(14) - (19) - (20)$					55.1%

Exhibit 2

Star Insurance Company
Arkansas Workers' Compensation
State Specific Loss and Expense
Page 15 Data
(000's omitted)

Company	Meadowbrook Insurance Group
State	AR
LOB	Workers' Compensation

Data	Year				Grand Total
	2003	2004	2005	2006	
Written Premium	518	865	477	235	2,302
Earned Premium	320	740	644	389	2,245
Commission	45	99	48	22	235
Taxes, Licenses, & Fees	19	24	18	47	122
Incurred Losses	179	361	180	76	735
Incurred ALAE	12	59	15	14	94
Comm as % of WPrem	8.6%	11.4%	10.2%	9.3%	10.2%
TLF as % of WPrem	3.7%	2.8%	3.7%	20.2%	5.3%
Incurred Loss Ratio	56.0%	48.8%	28.0%	19.5%	32.7%
Incurred ALAE Ratio	3.7%	8.0%	2.4%	3.7%	4.2%

Exhibit 3

Star Insurance Company Workers' Compensation

Direct Expense Ratios Country-wide per the Insurance Expense Exhibit (000's omitted)

Company LOB	Meadowbrook Insurance Group					
	Workers' Compensation					
	Year					
Data	2003	2004	2005	2006	2007	Grand Total
Written Premium	131,075	130,976	116,658	103,766	106,802	589,277
Earned Premium	114,360	130,837	121,059	106,979	103,472	576,707
Commission	14,083	14,433	9,926	11,322	11,391	61,155
Other Acquisition Costs	1,924	2,372	1,608	1,496	1,144	8,544
General Expense	14,809	15,177	12,731	14,239	12,379	69,335
Taxes, Licenses, & Fees	5,489	4,128	4,443	2,796	3,356	20,212
Comm as % of WPrem	10.7%	11.0%	8.5%	10.9%	10.7%	10.4%
Other Ac as % of WPrem	1.5%	1.8%	1.4%	1.4%	1.1%	1.4%
Gen'l Exp as % of EPrem	12.9%	11.6%	10.5%	13.3%	12.0%	12.0%
TLF as % of WPrem	4.2%	3.2%	3.8%	2.7%	3.1%	3.4%

Loss Adjustment Expense Country-wide per the Insurance Expense Exhibit (000's omitted)

Company ASL LOB	Meadowbrook Insurance Group					
	(All) Workers' Compensation					
	Year					
Data	2003	2004	2005	2006	2007	Grand Total
Sum of EP	114,360	130,837	121,059	106,979	103,472	576,707
Sum of Incurred Loss	53,869	72,591	96,021	72,325	48,816	343,622
Sum of ALAE Incurred	6,515	9,430	9,144	7,816	7,026	39,931
Sum of ULAE Incurred	6,862	8,170	8,696	5,661	4,528	33,917
Sum of IL % EP	47.1%	55.5%	79.3%	67.6%	47.2%	59.6%
Sum of ALAE % EP	5.7%	7.2%	7.6%	7.3%	6.8%	6.9%
Sum of ULAE % EP	6.0%	6.2%	7.2%	5.3%	4.4%	5.9%
Sum of ALAE % IL	12.1%	13.0%	9.5%	10.8%	14.4%	11.6%
Sum of ULAE % IL	12.7%	11.3%	9.1%	7.8%	9.3%	9.9%

Exhibit 4
Star Insurance Company
Arkansas Workers' Compensation
Selection of Commission Rate

<u>Program</u>	<u>Inforce Premium</u>	<u>Commission Rate</u>
Mig Kc-Assoc Wc	95,866	6.97%
Security Guard	59,364	14.25%
Security Industry WC	33,558	10.00%
Agent's Edge-Multistate	25,820	9.68%
Milk Haulers	23,151	8.00%
Health & Fitness (Post Transglobal)	13,947	10.00%
Appalachian WC	9,056	13.00%
Agent's Edge-Southwestern Region	5,708	9.00%
Mig / Asi	178	10.00%
Total	266,648	9.73%

Exhibit 5
Arkansas Workers' Compensation
Provision for Taxes, Licenses and Fees

<u>Expense Item:</u>	<u>Selected</u>
(A) Premium Tax	2.50%
(B) WC Fund	2.00%
(C) P&C Insurance Guaranty	0.90%
Total	5.40%

Exhibit 6
Star Insurance Company
Arkansas Workers' Compensation
Pre-Tax Underwriting Profit Provision

<u>Item:</u>	<u>Selected</u>
(A) After-Tax Target Rate of Return	13.0%
(B) Estimated Tax Rate	35.0%
(C) Pre-Tax Target Rate of Return $= (A) / [1.00 - (B)]$	20.0%
(D) Return on Invested Surplus	2.74%
(E) Return on Policyholder Supplied Funds	7.05%
(F) Selected Premium-to-Surplus Ratio	160%
(G) Return on Policyholder Supplied Funds, as a Ratio of Surplus $= (E) * (F)$	11.28%
(H) Underwriting Profit Provision as a Percentage of Surplus $= (C) - (D) - (G)$	6.0%
(I) Underwriting Profit Provision as a Percentage of Premium $= (H) / (F)$	3.7%

Exhibit 7
Star Insurance Company
Arkansas Workers' Compensation
Impact of Premium Discounts and Expense Constants

No. Item	Premium Discount and Expense Constant Off-Balance Estimate						
	2003	2004	2005	2006	2007	Average	Selected
(1) Standard Written Premium	493,875	796,558	551,910	170,681	222,076		
(2) Premium Discount	-19,964	-24,600	-16,570	-5,508	-9,298		
(3) Expense Constant	17,684	33,571	24,371	10,747	10,869		
(4) Premium Discount Ratio	-4.0%	-3.1%	-3.0%	-3.2%	-4.2%	-3.4%	-3.4%
(5) Expense Constant Ratio	3.6%	4.2%	4.4%	6.3%	4.9%	4.4%	4.4%
(6) Written Premium Net of Premium Discount and Expense Constant	491,595	805,529	559,711	175,920	223,647		
(7) Ratio of Net Premium to Standard Premium	99.5%	101.1%	101.4%	103.1%	100.7%	101.0%	101.0%

Notes:

- (4) = (2)/(1)
(5) = (3)/(1)
(6) = SUM[(1)...(3)]
(7) = 1.000+(4)+(5)

Exhibit 8
Meadowbrook Insurance Group
Lost Cost Modifier Justification
Arkansas Loss Experience
All Classes

(1)	(2)	(3)	(4)	(5)	(2) x (3) x (4) x (5) = (6)	(6) / (1) = (7)	(8)
Accident Year	Earned Payroll	Incurred Loss & ALAE	Loss Development Factor	Loss Ratio Trend Factor	Benefit Onlevel Factor	Trended Onlevel Ultimate Loss & ALAE	Indicated Loss Cost Bureau Loss Cost
2000	65,283	0	1.000	1.000	1.000	0	0.00 2.42
2001	80,138	64,815	1.090	1.625	1.022	117,375	1.46 1.75
2002	51,665	232,699	1.095	1.506	1.016	390,060	7.55 2.20
2003	124,162	44,779	1.136	1.383	1.005	70,707	0.57 1.93
2004	333,827	217,578	1.129	1.243	1.009	307,994	0.92 1.44
2005	289,078	87,916	1.132	1.128	1.007	113,077	0.39 1.54
2006	122,819	81,833	1.133	1.020	1.000	94,664	0.77 1.74
Total	54,929	0	1.000	1.000	1.000	0	0.00 1.66
2002 - 2006	921,551	664,805	-	-	-	976,502	1.06 1.62

- (9) Full Credibility Standard - Expected Losses (Source: NCCI)
- | | | |
|--------------------------|------------|--------|
| (a) Serious Injuries | 19,897,950 | % Dist |
| (b) Non-Serious Injuries | 2,436,480 | 5% |
| (c) Medical | 5,221,029 | 45% |
| (d) Wtd Average | 4,701,828 | 50% |
| | | 100% |
- (10) Credibility $\text{Min}[(6) / (9d)]^{(0.4), 100\%}$ 53.3%
- (11) Actual Loss Cost Modifier (7) / (8) 0.654
- (12) Complement of Credibility 1.000
- (13) Indicated Loss Cost Modifier $(10) * (11) + (1.0 - (10)) * (12)$ 0.816
- (13) Selected Loss Cost Modifier 0.920

**Arkansas Workers Compensation
Rate Impact by Class
Inforce Premium as of 6/30/2008**

Exhibit 9

State Name	Arkansas
Current EffDate	1/1/2008
Proposed EffDate	7/1/2008
Evaluation Date	6/30/2008

		Data									
Class	Description	Inforce Written Manual Premium	Current Loss Cost	Proposed Loss Cost	Loss Cost / Rate Impact	Current Avg LCM	Proposed LCM	LCM Change	Total Impact		
7720	CHECK CASHING COMPANIES-EMPLOYEES OF CONTRACTING	155,499	1.98	1.69	-14.6%	1.460	1.350	-7.5%	-21.1%		
9186	CARNIVAL, CIRCUS OR AMUSEMENT DEVICE OPERATOR-TR	41,989	39.31	34.91	-11.2%	1.610	1.610	0.0%	-11.2%		
2589	LAUNDRY AND DRY CLEANING STORE RETAIL & ROUTE SUI	22,532	1.14	0.87	-23.7%	1.460	1.350	-7.5%	-29.4%		
7380	CHAUFFEURS, DRIVERS & THEIR HELPERS NOC-COMMERCIA	20,918	2.97	2.22	-25.3%	1.610	1.610	0.0%	-25.3%		
9063	YMCA, YMHA OR YWHA INSTITUTION-ALL EMPLOYE	15,033	0.79	0.65	-17.7%	1.460	1.350	-7.5%	-23.9%		
8380	GASOLINE STATION - NOC - RETAIL AND DRIVERS	14,767	2.54	2.33	-8.3%	1.610	1.610	0.0%	-8.3%		
7229	AUTOMOBILE HAULAWAY OR DRIVEAWAY-LONG DISTANCE	14,263	5.58	4.69	-15.9%	1.460	1.350	-7.5%	-22.3%		
8835	HOME, PUBLIC, AND TRAVELING HEALTHCARE ALL EMPLOY	12,540	1.56	1.29	-17.3%	1.460	1.350	-7.5%	-23.5%		
8017	STORE FIVE AND TEN CENT	8,866	0.86	0.77	-10.5%	1.460	1.350	-7.5%	-17.2%		
7228	TRUCKING-LOCAL HAULING ONLY-ALL EMPLOYEES & DRIV	5,259	5.61	4.47	-20.3%	1.460	1.350	-7.5%	-26.3%		
6217	EXCAVATION & DRIVERS	5,120	3.51	3.27	-6.8%	1.460	1.350	-7.5%	-13.9%		
5645	CARPENTRY-DETACHED ONE OR TWO FAMILY DWELLINGS	4,828	8.27	7.29	-11.9%	1.460	1.350	-7.5%	-18.5%		
8393	AUTOMOBILE BODY REPAIR	4,360	1.18	1.12	-5.1%	1.610	1.610	0.0%	-5.1%		
5537	HVAC & REFRIGERATION SYSTEMS-INSTALL, SVC, REPAIR &	4,088	4.00	3.15	-21.3%	1.460	1.350	-7.5%	-27.2%		
8046	STORE-AUTOMOBILE PARTS & ACCESSORIES NOC & DRIVER	3,502	2.05	1.75	-14.6%	1.460	1.350	-7.5%	-21.1%		
9083	RESTAURANT-FAST FOOD	3,244	1.06	1.06	0.0%	1.460	1.350	-7.5%	-7.5%		
5022	MASONRY NOC	3,123	4.49	3.20	-28.7%	1.460	1.350	-7.5%	-34.1%		
4410	RUBBER GOODS MFG NOC	2,994	2.09	1.94	-7.2%	1.460	1.350	-7.5%	-14.2%		
8810	CLERICAL OFFICE EMPLOYEES NOC	2,718	0.18	0.16	-11.1%	1.460	1.350	-7.5%	-17.8%		
8013	STORE: JEWELRY	2,164	0.36	0.32	-11.1%	1.460	1.350	-7.5%	-17.8%		
9061	CLUB-NOC & CLERICAL	1,967	0.99	0.91	-8.1%	1.460	1.350	-7.5%	-15.0%		
8045	STORE-DRUG RETAIL	1,642	0.33	0.27	-18.2%	1.460	1.350	-7.5%	-24.3%		
8742	CHECK CASHING COMPANIES-SPECIAL OFFICERS AND ARME	1,514	0.37	0.31	-16.2%	1.460	1.350	-7.5%	-22.5%		
9082	RESTAURANT NOC	1,287	1.19	1.05	-11.8%	1.460	1.350	-7.5%	-18.4%		
2041	CANDY, CHOCOLATE, AND CONFECTION MFG.	1,105	2.81	2.58	-8.2%	1.460	1.350	-7.5%	-15.1%		
8044	STORE: FURNITURE & DRIVERS	883	2.31	1.81	-21.6%	1.610	1.610	0.0%	-21.6%		
9084	BAR, DISCOTHEQUE, LOUNGE, NIGHTCLUB OR TAVERN	860	1.47	1.23	-16.3%	1.460	1.350	-7.5%	-22.6%		
8072	STORE: BOOK, RECORD, COMPACT DISC, SOFTWARE, VIDEO	482	0.47	0.53	12.8%	1.460	1.350	-7.5%	4.3%		
3383	JEWELRY MFG	461	0.69	0.65	-5.8%	1.460	1.350	-7.5%	-12.9%		
9016	AMUSEMENT-PARK OR EXHIBITION OPERATION & DRIVERS	425	3.58	4.08	14.0%	1.460	1.350	-7.5%	5.4%		
9093	BOWLING LANE	408	1.06	0.92	-13.2%	1.460	1.350	-7.5%	-19.7%		
4692	DENTAL LABORATORY	170	0.26	0.29	11.5%	1.460	1.350	-7.5%	3.1%		
Grand Total		359,011	2.65	2.30	-15.0%	1.473	1.388	-5.8%	-19.9%		

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	Star-AR-WC-0808
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	NCCI AR-2008-02 (Available 07/01/08)
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Company Name		Company NAIC Number	
3.	A. Star Insurance Company	B.	18023

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	A. 16.0 Workers Compensation	B.	16.0004 Standard WC

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Overall:	-18.4%	-19.9%	0.683	0.920	1.350	200	1.460
Source:	Exh 8, Line 13	Exh 9, Total	Exh 1, Line 14	Exh 8, Line 13	Exh 1, L 16		Exh 1, L17
			Deviated Class 8288 ...				1.900
			Deviated Classes 0008 2501 7380 7613 8006				
			8044 8292 8350 8380 8393 8868 9012 9180 9186 ...				1.610
TOTAL OVERALL EFFECT	-18.4%	-19.9%					

6. 5 Year History Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	76	2.4%	01/01/08	152	-61	-40.1%	47.2%
2006	78	-6.1%	09/01/07	389	76	19.5%	67.6%
2005	184	-3.8%	08/15/06	644	180	28.0%	79.3%
2004	233	4.3%	07/01/05	740	361	48.8%	55.5%
2003	143	2.0%	10/01/03	320	179	55.9%	47.1%
		37.7%	09/01/02				
				Exh 2	Exh 2	Exh 2	Exh 3B, L5

7.

Expense Constants	Selected Provisions
A. Total Production Expense	11.3%
B. General Expense	12.1%
C. Taxes, License & Fees	5.5%
D. Underwriting Profit & Contingencies	3.8%
E. Other (explain)	
F. TOTAL	32.7%

8. Y Apply Lost Cost Factors to Future filings? (Y or N)

9. 5.4% Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable):

Class 9016 Amusement Park or exhibition operation

10. -34.1% Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable):

Class 5022 Masonry

PC RLC